

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice CN-951

For: Cotton State and County Offices, LSA's, CMA's, and Cotton Clerks

Effective Date for Revised Calculations of Upland Cotton Loan Repayment and LDP Rates

Approved by: Deputy Administrator, Farm Programs



1 Calculating Upland Cotton Loan Repayment and LDP Rates

A

Background

Notice CN-942 informed State and County Offices, cooperative marketing associations (CMA's), loan servicing agents (LSA's), and cotton clerks of a revised calculation of upland cotton loan repayment and LDP rates of all crop years. The new method is applicable as soon as software revisions are available for APSS and ACRS.

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Purpose

This notice informs State and County Offices, CMA's, LSA's, and cotton clerks that the revised:

- software is about to be issued
 - calculation is to be implemented April 7, 2003.
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**New Guidelines
for Calculating
Rates**

The new policy provides that the:

- **upland cotton loan repayment rate shall not be less than zero**
 - **LDP rate shall not exceed the loan value of the cotton.**
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Disposal Date

June 1, 2003

Distribution

State Offices; State Offices relay to County
Offices, LSA's, CMA's, and Cotton Clerks

Notice CN-951

1 Calculating Upland Cotton Loan Repayment and LDP Rates (Continued)

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**State and
County Office
Action**

Software providing the revised cotton calculations will be in Release No. 508 that will be mailed March 31, 2003.

Cash loan repayments, commodity certificate exchanges, and LDP calculations for upland cotton of all crop years shall be based on the revised software effective April 7, 2003.

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**CMA and LSA
Action**

CMA's and LSA's shall implement the revised minimum loan repayment rate and the revised LDP rate calculations effective April 7, 2003.
